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7 UNITED STATES DISTRICT COURT
8 WESTERN DISTRICT OF WASHINGTON
9 AT SEATTLE

10 SECURITIES AND EXCHANGE
11 COMMISSION,

12 Plaintiff,

13 v.

14 PATH AMERICA, LLC, et al.,

15 Defendants, and

16 POTALA SHORELINE, LLC, et al.,

17 Relief Defendants.

CASE NO. C15-1350JLR

TENTH ORDER REGARDING
FEE APPLICATIONS

18 Before the court are four quarterly fee applications: **(1)** the tenth interim fee
19 application of Receiver Michael A. Grassmueck (“the Receiver”) for \$5,381.00 in fees
20 and \$586.29 in costs (Dkt. # 626); **(2)** the tenth interim fee application of the Receiver’s
21 general counsel, Allen Matkins Leck Gamble Mallory & Natsis, LLP (“Allen Matkins”),
22 for \$105,563.25 in fees and \$2,235.00 in costs (Dkt. # 625); **(3)** the tenth interim fee

1 application of Financial Forensics, the Receiver's forensic accountant, for \$6,534.00 in
2 fees and \$6.45 in costs (Dkt. # 628); (4) the seventh interim fee application of Peterson
3 Sullivan LLP, tax accountants for the Receiver, for \$27,669.75 in fees and \$667.70 in
4 costs (Dkt. # 627). As described below, the court GRANTS the fee applications of the
5 Receiver, Allen Matkins, Financial Forensics, and Peterson Sullivan (Dkt. ## 625-28).

6 Counsel for the Receiver filed all of the foregoing motions on May 18, 2018, and
7 properly noted them for the court's consideration on June 1, 2018. (*See id.*) Any
8 opposition to the motions was due no later than Tuesday, May 29, 2018. *See* Local Rules
9 W.D. Wash. LCR 7(d)(3) ("Any opposition papers shall be filed and served no later than
10 the Monday before the noting date."); *see also id.*, LCR 7(d)(5) ("If the deadline for a
11 party's response . . . falls on a date that is a legal holiday . . . , the party's response . . . is
12 due on the following day . . ."). No party filed an opposition to any of the motions.
13 (*See generally* Dkt.)

14 The court finds that (1) the fees and costs requested in each of the fee applications
15 listed above are reasonable and necessary, (2) the notice of the fee applications was
16 appropriate, (3) the fee applications are made in accordance with the Order Appointing
17 Receiver (*see* Order Appointing Receiver ("OAR") (Dkt. # 88) ¶¶ 55-59), and (4) the
18 services provided were of substantial benefit to the Receivership Estate. Each of the
19 foregoing applicants seeks a distribution of only 80% of the approved fees and costs at
20 this time. (*See id.* ¶ 58 ("Quarterly Fee Applications may be subject to a holdback in the
21 amount of 20% of the amount of fees and expenses for each application filed with the
22 Court."); *see also* Dkt. # 625 at 2; Dkt. # 626 at 2; Dkt. # 627 at 4; Dkt. # 628 at 4.)

Accordingly, the court GRANTS the fee applications (Dkt. ## 625-28) and APPROVES on an interim basis the following application amounts for the period of January 1, 2018 through March 31, 2018:

Applicant:	Fees:	Costs:	Total Allowed:
Receiver Michael A. Grassmueck	\$5,381.00	\$586.29	\$5,967.29
Allen Matkins	\$105,563.25	\$2,235.00	\$107,798.25
Financial Forensics	\$6,534.00	\$6.45	\$6,540.45
Peterson Sullivan	\$27,669.75	\$667.70	\$28,337.45

Finally, the court AUTHORIZES the Receiver to disburse the following percentages of the foregoing approved fees and costs at this time:

- (1) The court AUTHORIZES the Receiver to disburse \$4,773.83 to the Receiver, which is 80% of the approved fees and costs;
- (2) The court AUTHORIZES the Receiver to disburse \$86,238.60 to Allen Matkins, which is 80% of the approved fees and costs;
- (3) The court AUTHORIZES the Receiver to disburse \$5,232.36 to Financial Forensics, which is 80% of the approved fees and costs;

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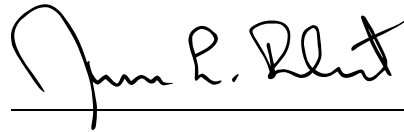
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1 (4) The court AUTHORIZES the Receiver to disburse \$22,669.96 to Peterson
2 Sullivan, which is 80% of the approved fees and costs.

3 Dated this 13th day of June, 2018.

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6 JAMES L. ROBART
7 United States District Judge
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